HEARING DATE: OCTOBER 12, 2000

HEARING TIME: 10:00 A.M.

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| UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK |
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| In re: |
| RANDALLS ISLAND FAMILY GOLF |

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CENTERS, INC., et al.,

Chapter 11 Case Nos. 00-41065 (SMB) through 00-41196 (SMB) (Jointly Administered)

ALL IN FUN ENTERPRISES INC.'S OBJECTION TO DEBTOR'S MOTION TO FURTHER EXTEND TIME TO ASSUME OR REJECT NON-RESIDENTIAL REAL PROPERTY LEASE

TO: THE HONORABLE STUART M. BERNSTEIN CHIEF UNITED STATES BANKRUPTCY JUDGE

Debtors.

All In Fun Enterprises, Inc. ("AIF"), submits the following in opposition to the Debtor's motion to further extend its time to assume or reject a non-residential real property lease for the premises located at 395000 Five Mile Road, Plymouth, Michigan (the "Lease").

IF THE DEBTOR CONTINUES TO IGNORE CRITICAL MAINTENANCE AT THE PROPERTY, THE DRIVING RANGE WILL SOON NOT BE OPERATIONAL

- 1. AIF incorporates the statements and arguments set forth in its motion dated September 15th, 2000 seeking to reduce and or limit the Debtor's time to assume or reject the Lease. AIF submits the following supplemental information for the Court to consider in connection with the Debtor's request to further extend its time to assume or reject the Lease.
- 2. The Debtor operates a driving range known as the Oasis Golf Center at the leased premises. (the "Driving Range"). Because of the area in the country where the Driving Range is located, its business is totally seasonal. Between November and March, the outdoor portion for the Driving Range is virtually dormant.
- 3. In order for the Driving Range to continue as an economically viable operation, the Debtor must replace all or most of the range-netting along the Northern border of the target area with 90 foot poles and netting. Most of the existing netting and 70 foot poles are currently located on the former Oasis par-3 golf course which used to be a part of the Driving Range. However, the Oasis par-3 course was purchased by a developer and it is going to be developed into a large commercial office park over the next 18 months.
- 4. The poles and netting at the Driving Range must be moved onto the driving range parcel (approximately 40 feet closer to where the Driving Range customers hit balls). This will necessitate the use of high on 90 foot poles because a well hit ball will go out of the Driving Range and into the adjoining office park. Since the par-3 course will be permanently closed at the end of November, the adjoining landowner will not tolerate balls being hit at the construction workers.

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- 5. If the poles and nets are not moved immediately, the developer will remove the poles from his property. This will prevent the Driving Range from opening for business next season. The township and the police department will not permit the Driving Range to "pummel" its neighbors with a barrage of golf balls for 8-10 hours per day because the company is in Chapter 11 in New York and did not have the money or the inclination to move the poles and netting during the off-season.
- 6. The Driving Range is one of the lowest parcels of land in the community. Because all surface water in the general area migrates through the site, it is impossible to relocate the netting (unless it is done now) before late April or early May. This is because the semi-trailers with poles and giant rigging equipment cannot drive across a field of mud 12 inches deep. Since the peak business for the Driving Range is March through July, the poles and netting work cannot be done during this time.
- 7. Aside from the relocation of the poles and netting, a new well has to be installed on the property. The current irrigation system is located on the former par 3 golf course and will soon be unavailable to the Driving Range. If the Driving Range is not watered as has been in the past, the grass will be burned out for most of the 2001 season. The Driving Range has always been known in the community as having a great grass tee area. If the irrigation system is eliminated, the grass tee area will quickly disappear.
- 8. Carl's Golfland is opening their new year-round golf center three miles from the Driving Range, on the very same street ("Carl's"). Carl's has been recognized as one of the top 50 best golf centers in America for most of the past 15 years. Their original store is 35 miles from the Driving Range and is believed by industry experts to be one of the highest grossing golf retailers in the world, drawing traffic from up to a 50 mile radius.
- 9. Carl's has just installed 8 acres of astroturf target area with multiple target greens and simulated water hazards. Carl's grass tee areas are composed of the finest grasses for a hitting surface and are fully

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irrigated and lighted. Carl's decision to open near the Driving Range should not be taken lightly as it clearly demonstrates the high quality of the local market and reinforces the importance of properly maintaining the Driving Range.

MISCELLANEOUS REPAIRS WHICH MUST BE DONE AT THE DRIVING RANGE

- 10. Aside from the critical improvements detailed above, the following repairs must be done in order for the Driving Range to continue as a viable operation. However, unlike the time sensitivity of the above repairs, these can be done at any time.
- 11. There are several parking lot and range light posts that are leaning and ready to collapse. These posts are 35 feet tall and weigh up to 2,500 pounds. They would fall or ruin anything in their path. The Debtor was advised of this many months ago and has not addressed this serious safety hazard. One of the smaller and lighter poles has already fallen over.
- 12. The parking lot is in shambles. The parking lot is the first thing customers see and experience upon entering the Driving Range. It requires at least a thin resurfacing layer of asphalt and then complete sealcoating.
- 13. There is a large awning on the west side of the building that was destroyed in a snow storm two years ago, but never replaced.
- 14. The batting cages have been totally neglected for several years. They need approximately \$7,000.00 in repairs according to the Debtor's own construction personnel. These repairs are needed to prevent future damage to all of the mechanical and electrical equipment.

IF THE COURT FURTHER EXTENDS THE
DEBTOR'S TIME TO ASSUME OR REJECT THE LEASE WITHOUT REQUIRING
THE DEBTOR TO PROPERLY MAINTAIN THE PROPERTY, ALL IN FUN WILL LIKELY
BE DAMAGED BEYOND THE COMPENSATION WHICH IS AVAILABLE

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UNDER THE BANKRUPTCY CODE.

- 15. As set forth above, regardless of who ultimately operates the Driving Range, unless the poles and netting are relocated and the irrigation system improved, the Driving Range will not be able to continue. This will cause AIF to default on its payments due under its land sale contract. There is a balloon payment of \$2,900,000.00 due on the land sale contract on September 1, 2001. AIF was in the final stages of refinancing the property when the Debtor filed its Chapter 11 petition. Since the Chapter 11 filing, AIF has been unable to obtain new bank financing because of the uncertainty surrounding whether the Debtor will continue to operate the Driving Range.
- 16. The Debtor is continuing to operate the Driving range and generate a significant profit while at the same time ignoring the necessary maintenance. If the court further extends the Debtor's time to assume or reject the Lease, AIF will be severely prejudiced in the event the Debtor continues to ignore the necessary maintenance and later rejects the lease.
- 17. AIF will be left with a non-operating driving range and will lose the property to the other party to the land sale contract who is anxiously waiting to take the property to sell to developers.
- 18. Since the Filing Date, the Debtor has continued to use the property without making necessary repairs and has defaulted in paying the landowner over \$235,000.00 due under certain promissory notes. This court recently declined to direct the Debtor to pay post-petition interest without prejudice to AIF's right to seek adequate protection.
- 19. AIF is in the process of filing an adequate protection motion which will request relief including attempting to compel the Debtor to perform the necessary repairs set forth above. In the meantime, the court should not further extend the Debtor's time to assume or reject the Lease without requiring the Debtor to address the issues detailed above.

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WHEREFORE, AIF respectfully requests that the court decline to further extend the Debtor's time to assume or reject the Lease and grant AIF such other and further relief as the court deems just and proper.

Dated: New York, New York October 10, 2000

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